

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

_____)	
PARLEX CORPORATION,)	
Plaintiff,)	
)	CIVIL ACTION NO. 04 CV 10109-DPW
v.)	
)	
KDI PRECISION PRODUCTS, INC.,)	
Defendant.)	
_____)	

JOINT STATEMENT PURSUANT TO EXPENSE
AND DELAY REDUCTION PLAN

The parties have conferred as required by Fed. R. Civ. P. 26(f) and propose the following discovery plan, pursuant to Rule 26(f), Rule 16.1(D) of the Local Rules, and this Court's April 8, 2004 Notice of Scheduling Conference:

I. Introduction

The action was brought by the Plaintiff asserting breach of contract, misrepresentation, breach of the covenant of good faith and fair dealing and violations of Mass. G.L. Ch. 93A in connection with Plaintiff's allegations that the Defendant failed to pay for goods shipped to it and otherwise contracted for between the parties. Defendant has denied the Plaintiff's allegations and has counterclaimed against the Plaintiff, alleging breach of contract, stating that some or all of the product shipped by the Plaintiff to the Defendant was defective.

II. Agenda for Scheduling Conference

A. Discuss discovery schedule and pretrial motions;

- B. Discuss mediation and settlement; and
- C. Discuss timing for pretrial memoranda.

III. Pretrial Schedule

The parties agree to the Discovery Event Limitation set forth in Local Rule 26.1(C), and further agree to the following discovery schedule:

<u>Discovery Events</u>	<u>Time for Completion</u>
Initial Disclosures served	June 11, 2004
All fact discovery completed	April 30, 2005
All expert discovery completed	June 30, 2005
B. <u>Pretrial Motions</u>	
Motions for Summary Judgment and/or other Dispositive motions filed and served	August 5, 2005
C. <u>Final Pretrial Conference and Trial Date</u>	
Final pretrial conference	On or after September 16, 2005
Trial date	On or after October 17, 2005

IV. Other Matters

1. The possibility of resolving this action through alternative dispute resolution.
2. The Plaintiff and the Defendant do not consent to trial by a Magistrate Judge.
3. Certifications, pursuant to Local Rule 16.1(D)(3), signed by counsel and by each party, are attached hereto as Exhibit A and B.
4. The Plaintiff's settlement proposal is attached hereto as Exhibit C.

Parlex Corporation,
By its Attorneys,

s/Edward D. Kutchin
Edward D. Kutchin, Esq.
BBO No. 281920
Kerry R. Northup, Esq.
BBO No. 633016
Kutchin & Rufo, P.C.
155 Federal Street
Boston, MA 02110
(617) 542-3000

Respectfully submitted,

KDI Precision Products, Inc.,
by its Attorneys,

s/Brendan M. Hare
Brendan M. Hare
BBO No. 221480
Kathleen A. Kelley
BBO No. 562342
Hare & Chaffin
160 Federal Street
Boston, MA 02110
(617) 330-5000

CERTIFICATE OF SERVICE

I hereby certify that I have served the within document, by mailing a copy thereof, to Brendan M. Hare, Hare & Chaffin, 160 Federal Street, Boston, MA 02110.

Dated: May __, 2004

s/Kerry R. Northup
Kerry R. Northup

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EXHIBIT A

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

_____)	
PARLEX CORPORATION,)	
Plaintiff,)	
)	CIVIL ACTION NO. 04 CV 10109-DPW
v.)	
)	
KDI PRECISION PRODUCTS, INC.,)	
Defendant.)	
_____)	

CERTIFICATION OF PLAINTIFF

We, the undersigned, Edward D. Kutchin, Esq., counsel for plaintiff Parlex Corporation ("Parlex"), and the undersigned authorized representative of Parlex, hereby affirm that we have conferred with a view to establishing a budget for the cost of conducting the full course – and various alternative courses including mediation – for the litigation and have considered the resolution of the litigation through the use of alternative dispute resolution programs such as those outlined in LR 16.4.

s/Jonathan R. Kosheff
Jonathan R. Kosheff
Chief Financial Officer
Parlex Corporation
One Parlex Place
Methuen, MA 01844

s/Edward D. Kutchin
Edward D. Kutchin, Esq.
Kutchin & Rufo, P.C.
155 Federal Street
Boston, MA 02110

EXHIBIT B

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

PARLEX CORPORATION,

Plaintiff,

v.

KDI PRECISION PRODUCTS, INC.,

Defendant.

Civil Action No. 04 CV 10109-DPW

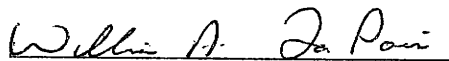
CERTIFICATION OF DEFENDANT

We, the undersigned, Brendan M. Hare, Esq., counsel for defendant, KDI Precision Products, Inc. ("KDI"), and the undersigned authorized representative of KDI, hereby affirm that we have conferred with a view to establishing a budget for the cost of conducting the full course - and various alternative courses including mediation - for the litigation and have considered the resolution of the litigation through the use of alternative dispute resolution programs such as those outlined in LR 16.4.

Respectfully submitted,

Dated: May 5, 2004

KDI PRECISION PRODUCTS, INC.



William A. LaPois
Vice President Operations
KDI Precision Products, Inc.
3975 McMann Road
Cincinnati, OH 45245
Tel: (513) 943-2151



Brendan M. Hare, BBO# 221480
Kathleen A. Kelley, BBO# 562342
HARE & CHAFFIN
160 Federal Street
Boston, MA 02110
Tel. (617) 330-5000

CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of May, 2004, a true and correct copy of the foregoing document was served by mail/delivery in hand to the office of counsel of record.

Brendan M. Hare
Brendan M. Hare

4416002

EXHIBIT C

KUTCHIN & RUFO, P.C.

COUNSELLORS AT LAW

155 FEDERAL STREET

BOSTON, MASSACHUSETTS 02110-1727

(617) 542-3000

FACSIMILE (617) 542-3001

Edward D. Kutchin, Esquire
ekutchin@kutchinrufo.com

May 17, 2004

**PRIVILEGED AND CONFIDENTIAL
SETTLEMENT COMMUNICATION**

Brendan M. Hare, Esquire
Hare & Chaffin
160 Federal Street
Boston, MA 02110

Re: Parlex Corp. v. KDI Precision Products, Inc.
U.S. District Court Civil Action No. 04-CV-10109-DPW

Dear Mr. Hare:

Pursuant to the Notice of Scheduling Conference dated April 8, 2004 attached hereto, I have spoken to my clients about settlement. My clients are prepared to settle this action in exchange for Defendants lump-sum payment of \$672,430.00. This offer is of limited duration; shall remain in effect only until the close of the Rule 16(b) conference which will be held before the Court in the United States District Court on May 25, 2004; is privileged under Fed. R. Evid. 408; and should not be used or cited for any purpose other than settlement.

If you would like to speak with me concerning this matter, please telephone me.

Very truly yours,



Edward D. Kutchin

EDK/rcm
Enclosure

cc: Jonathan R. Kosheff, CFO
Parlex Corporation
John J. Leshinski, Esquire
L-3 Communications, Inc.